REMARKS

Claims 1, 4-11, and 13 are pending in this application.

Rejections under 35 U.S.C. § 103

Applicants respectfully request reconsideration of the rejection of claims 1, 4-11, and 13 under 35 U.S.C. § 103(a) as being unpatentable over *Morag* (US 6,324,545 B1) in view of *Shaffer et al.* ("*Shaffer*") (US 6,396,963 B2). As will be explained in more detail below, the combination of the *Morag* and *Shaffer* references would not have rendered the subject matter defined in independent claims 1 and 11 obvious to one having ordinary skill in the art.

In the "Response to Arguments" section of the Final Office Action, the Examiner responds to Applicant's arguments regarding the *Morag* reference by stating "[f]rom the user automated and automatic automated methods it would be understood that the positional sequence of upper and left could be used accordingly to preference." Final Office Action at page 9, lines 13-15. Applicants respectfully traverse the Examiner's characterization of the *Morag* reference relative to the claimed subject matter. In particular, the *Morag* reference does not disclose or suggest using the positional sequence of the upper end and the positional sequence of the left end of each image integration area, when setting the priority order of at least one image integration area included in the selected template, as specified in the claimed subject matter. As such, the *Morag* reference does not support the Examiner's assertion that the claimed feature is merely a matter of preference.

Apparently mindful of the above-discussed deficiency of the *Morag* reference, the Examiner states "[f]urther example is proven by the example of the display screen shown by the disclosure of Shaffer." Final Office Action at page 9, lines 15-17. This statement does not cure the above-discussed deficiency of the *Morag* reference for at least two reasons. First, the *Morag* reference does not disclose or suggest displaying the set priority order in the at least one image integration area of the selected template. Second, the image identifier

described in the Shaffer reference is different from the claimed priority order set for each image integration area of the selected template (see Figure 8 and column 12, lines 10-22, of the Shaffer reference).

In view of the foregoing, even if the *Morag* and *Shaffer* references were to be combined in the manner proposed by the Examiner, the result of this combination would not have included each and every feature of the subject matter defined in claims 1 and 11. In particular, the combination would not have resulted in at least the claimed feature of setting a priority order of at least one image integration area according to a positional sequence of an upper end and a positional sequence of a left end of each image integration area in a selected template. Therefore, the combination of *Morag* in view of *Shaffer* would not have rendered the subject matter defined in claims 1 and 11 obvious to one having ordinary skill in the art.

Accordingly, independent claims 1 and 11 are patentable under 35 U.S.C. § 103(a) over the combination of *Morag* in view of *Shaffer*. Claims 4-10, each of which ultimately depends from claim 1, and claim 13, which depends from claim 11, are likewise patentable under 35 U.S.C. § 103(a) over the combination of *Morag* in view of *Shaffer* for at least the same reasons set forth above regarding the applicable independent claim.

Dependent Claim 7

In the Final Office Action, the Examiner rejected claim 7 under 35 U.S.C. § 103(a) as being unpatentable over *Morag* (see the Final Office Action at page 8). Claim 7 ultimately depends from claim 1. In light of the Examiner's reliance on the Shaffer reference in the obviousness rejection of claim 1, it appears that the obviousness rejection of claim 7 based solely on the Morag reference was inadvertently included in the Final Office Action. In the event this is not the case, Applicants note that nothing in the *Morag* reference cures the above-discussed deficiencies of this reference relative to the subject matter defined in claim

1. Accordingly, claim 7 is patentable under 35 U.S.C. § 103(a) over *Morag* for at least the

reason that this claim ultimately depends from claim 1.

Conclusion

In view of the foregoing, Applicants respectfully request reconsideration and

reexamination of claims 1, 4-11, and 13, and submit that these claims are in condition for

allowance. Accordingly, a notice of allowance is respectfully requested. In the event a

telephone conversation would expedite the prosecution of this application, the Examiner may

reach the undersigned at (408) 749-6902. If any additional fees are due in connection with

the filing of this paper, then the Commissioner is authorized to charge such fees to Deposit

Account No. 50-0805 (Order No. ITECP015).

Respectfully submitted,

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